
By: **Chairman, Economic Matters Committee (By Request - Departmental - Labor, Licensing and Regulation)**

Introduced and read first time: March 3, 2003

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Office of the Commissioner of Financial Regulation - Fees**

3 FOR the purpose of establishing a Financial Regulation Fund as a continuing,
4 nonlapsing special fund in the Office of the Commissioner of Financial
5 Regulation; directing the payment of certain fees to the Fund; requiring that the
6 Fund be used for certain purposes; providing that certain excess moneys from
7 the Fund revert to the General Fund of the State; setting certain fees charged by
8 the Commissioner of Financial Regulation and the State Collection Agency
9 Licensing Board; directing the Commissioner to review and report on certain
10 fees on a certain schedule; requiring that an examination fee be paid under
11 certain circumstances; authorizing the use of third-party examiners under
12 certain circumstances; specifying the use of certain fees; and generally relating
13 to the Office of the Commissioner of Financial Regulation.

14 BY repealing and reenacting, without amendments,
15 Article - Business Regulation
16 Section 7-201
17 Annotated Code of Maryland
18 (1998 Replacement Volume and 2002 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article - Business Regulation
21 Section 7-206 and 7-302
22 Annotated Code of Maryland
23 (1998 Replacement Volume and 2002 Supplement)

24 BY repealing
25 Article - Financial Institutions
26 Section 2-109, 11-101, and 12-404
27 Annotated Code of Maryland
28 (1998 Replacement Volume and 2002 Supplement)

1 BY adding to
2 Article - Financial Institutions
3 Section 2-109, 2-109.1, 2-109.2, and 2-117
4 Annotated Code of Maryland
5 (1998 Replacement Volume and 2002 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article - Financial Institutions
8 Section 3-203(a), 3-213, 5-904, 5-1005, 9-632, 11-206(b), 11-209, 11-404,
9 11-406, 11-507(b), 11-511(b), 11-515(c), 12-108(b), 12-111, 12-208(a),
10 12-210, 12-407(f), 12-411, and 12-703
11 Annotated Code of Maryland
12 (1998 Replacement Volume and 2002 Supplement)

13 BY repealing and reenacting, without amendments,
14 Article - Financial Institutions
15 Section 5-203 and 12-708
16 Annotated Code of Maryland
17 (1998 Replacement Volume and 2002 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Business Regulation**

21 7-201.

22 There is a State Collection Agency Licensing Board in the Office of the
23 Commissioner of Financial Regulation in the Department.

24 7-206.

25 (A) The Board shall pay all money collected under this title [into the general
26 fund of the State] TO THE COMPTROLLER OF THE STATE WHO SHALL DISTRIBUTE
27 THE MONEY TO THE STATE FINANCIAL REGULATION FUND IN THE OFFICE OF THE
28 COMMISSIONER AS PROVIDED IN § 2-109 OF THE FINANCIAL INSTITUTIONS ARTICLE.

29 (B) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, THE BOARD
30 SHALL PAY ALL FINES AND PENALTIES COLLECTED BY THE BOARD UNDER THIS
31 TITLE INTO THE GENERAL FUND OF THIS STATE.

32 7-302.

33 (a) An applicant for a license shall:

34 (1) submit to the Board an application on the form that the Board
35 provides; and

1 (2) pay to the Board an application fee [of \$400] AS PROVIDED IN § 2-117
2 OF THE FINANCIAL INSTITUTIONS ARTICLE.

3 (b) An application shall be made under oath.

4 (c) If an applicant wishes to do business as a collection agency at more than 1
5 place, the applicant shall submit a separate application and pay a separate
6 application fee for each place.

7 (d) An application fee is nonrefundable.

8 (e) Before a license expires, the licensee periodically may renew the license for
9 additional 2-year terms, if the licensee:

10 (1) otherwise is entitled to be licensed;

11 (2) pays to the Board a renewal fee [of \$400] AS PROVIDED IN § 2-117 OF
12 THE FINANCIAL INSTITUTIONS ARTICLE;

13 (3) submits to the Board a renewal application on a form required by the
14 Board; and

15 (4) files with the Board a bond or bond continuation certificate as
16 required under § 7-304 of this subtitle.

17 **Article - Financial Institutions**

18 [2-109.

19 Except as otherwise provided by law, the Commissioner shall pay all money
20 collected by the Commissioner under this article into the General Fund of this State.]
21 2-109.

22 (A) IN THIS SECTION, "FUND" MEANS THE STATE FINANCIAL REGULATION
23 FUND.

24 (B) (1) THERE IS A STATE FINANCIAL REGULATION FUND IN THE OFFICE OF
25 THE COMMISSIONER.

26 (2) THE FUND:

27 (I) IS A CONTINUING, NONLAPSING SPECIAL FUND;

28 (II) IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND
29 PROCUREMENT ARTICLE; AND

30 (III) EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION,
31 MAY NOT BE CONSIDERED TO BE A PART OF THE GENERAL FUND OF THE STATE.

1 (3) UNLESS OTHERWISE PROVIDED BY LAW, NO PART OF THE FUND MAY
2 REVERT OR BE CREDITED TO:

3 (I) THE GENERAL FUND OF THE STATE; OR

4 (II) ANOTHER SPECIAL FUND OF THE STATE.

5 (C) (1) EXCEPT AS OTHERWISE PROVIDED BY LAW, THE COMMISSIONER
6 SHALL PAY ALL FEES AND ASSESSMENTS THE COMMISSIONER COLLECTS TO THE
7 COMPTROLLER OF THE STATE.

8 (2) THE COMPTROLLER SHALL DISTRIBUTE THE FEES AND
9 ASSESSMENTS TO THE FUND.

10 (D) NOTWITHSTANDING SUBSECTION (C) OF THIS SECTION, THE
11 COMMISSIONER SHALL PAY ALL FINES, PENALTIES, AND SURCHARGES COLLECTED
12 BY THE COMMISSIONER UNDER THIS ARTICLE INTO THE GENERAL FUND OF THIS
13 STATE.

14 (E) (1) THE FUND SHALL BE USED TO COVER THE ACTUAL DOCUMENTED
15 DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY AND REGULATORY
16 DUTIES OF THE COMMISSIONER.

17 (2) THE FOLLOWING COSTS MAY NOT BE INCLUDED IN THE DIRECT AND
18 INDIRECT COSTS OF THE OFFICE OF THE COMMISSIONER BUT SHALL BE PAID FROM
19 THE GENERAL FUNDS OF THE STATE:

20 (I) THE COSTS OF THE OFFICE OF ADMINISTRATIVE HEARINGS
21 ATTRIBUTABLE TO THE OFFICE OF THE COMMISSIONER; AND

22 (II) CAPITAL EXPENSES RELATED TO THE IMPLEMENTATION AND
23 ENHANCEMENT OF ELECTRONIC LICENSING CAPABILITIES.

24 (F) (1) ALL OF THE COSTS AND EXPENSES OF THE OFFICE OF THE
25 COMMISSIONER SHALL BE INCLUDED IN THE STATE BUDGET.

26 (2) ANY EXPENDITURES FROM THE FUND TO COVER COSTS AND
27 EXPENSES OF THE OFFICE OF THE COMMISSIONER MAY ONLY BE MADE:

28 (I) WITH AN APPROPRIATION FROM THE FUND APPROVED BY THE
29 GENERAL ASSEMBLY IN THE ANNUAL STATE BUDGET; OR

30 (II) BY THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR
31 UNDER § 7-209 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

32 (G) AT THE END OF EACH ODD-NUMBERED FISCAL YEAR BEGINNING JUNE 30,
33 2007, ANY UNSPENT PORTION OF THE FUND IN EXCESS OF 110% OF THE BUDGETED
34 DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY AND REGULATORY
35 DUTIES OF THE COMMISSIONER FOR THE FOLLOWING FISCAL YEAR, REVERTS TO
36 THE GENERAL FUND OF THE STATE.

1 (H) THE SECRETARY OF LABOR, LICENSING, AND REGULATION OR A
2 DESIGNEE OF THE SECRETARY SHALL ADMINISTER THE FUND.

3 (I) THE LEGISLATIVE AUDITOR SHALL AUDIT THE TRANSACTIONS OF THE
4 FUND AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.

5 2-109.1.

6 (A) THE COMMISSIONER SHALL ANNUALLY CALCULATE THE DIRECT AND
7 INDIRECT COSTS OF FULFILLING THE STATUTORY AND REGULATORY DUTIES OF THE
8 COMMISSIONER.

9 (B) THE COMMISSIONER SHALL REVIEW THE FEE SCHEDULE UNDER § 2-117
10 OF THIS ARTICLE AT LEAST ONCE EVERY 5 YEARS, AND BASED ON THE
11 CALCULATIONS UNDER THIS SECTION MAKE RECOMMENDATIONS TO THE GENERAL
12 ASSEMBLY FOR ADJUSTMENTS.

13 2-109.2.

14 (A) IN ADDITION TO ANY OTHER FEES PAYABLE, THE PERSON EXAMINED
15 SHALL PAY THE EXPENSE INCURRED BY THE COMMISSIONER FOR THE FOLLOWING:

16 (1) ANY EXAMINATION OR INVESTIGATION MADE UNDER § 3-203, § 3-801,
17 OR § 12-703 OF THIS ARTICLE;

18 (2) ANY EXAMINATION OF A BANKING INSTITUTION IN ADDITION TO
19 THE MINIMUM NUMBER REQUIRED UNDER § 5-201(A) OF THIS ARTICLE;

20 (3) ANY EXAMINATION OF A COMMERCIAL BANK REQUIRED OR
21 PERMITTED UNDER § 5-201(A) OF THIS ARTICLE, IF THE BANK IS NOT IN THE
22 BUSINESS OF ACCEPTING DEPOSITS OR RETAINING FUNDS IN A DEPOSIT ACCOUNT
23 AS DEFINED UNDER § 5-509 OF THIS ARTICLE; AND

24 (4) ANY EXAMINATION OR INVESTIGATION REQUIRED OR PERMITTED
25 UNDER THIS ARTICLE, THE COMMERCIAL LAW ARTICLE, OR THE BUSINESS
26 REGULATION ARTICLE THAT IS:

27 (I) CONDUCTED OUTSIDE OF THE GEOGRAPHICAL BOUNDARIES
28 OF MARYLAND; OR

29 (II) RELATED TO THE INVESTIGATION OF A CONSUMER COMPLAINT
30 AND CONDUCTED AT THE PERSON'S PLACE OF BUSINESS.

31 (B) (1) THE PERSON EXAMINED UNDER SUBSECTION (A) OF THIS SECTION
32 SHALL PAY TO THE COMMISSIONER:

33 (I) THE TRAVEL EXPENSES, LODGING EXPENSES, AND A PER DIEM
34 FOR EXAMINERS TO THE EXTENT INCURRED FOR THE EXAMINATION AND AT
35 REASONABLE RATES SET BY THE COMMISSIONER; AND

1 (II) FOR EXAMINATIONS UNDER SUBSECTION (A)(1), (2) AND (3) OF
2 THIS SECTION, AN AMOUNT EQUAL TO THE EXAMINERS' SALARIES FOR EACH DAY OF
3 THE EXAMINATION.

4 (C) THE COMMISSIONER SHALL PRESENT A DETAILED ACCOUNT OF
5 EXPENSES INCURRED TO THE PERSON EXAMINED PERIODICALLY DURING THE
6 EXAMINATION OR AT THE END OF THE EXAMINATION, AS THE COMMISSIONER
7 CONSIDERS PROPER.

8 (D) A PERSON MAY NOT PAY AND AN EXAMINER MAY NOT ACCEPT ANY
9 COMPENSATION FOR AN EXAMINATION IN ADDITION TO THE COMPENSATION UNDER
10 THIS SECTION.

11 (E) FOR ANY EXAMINATION OR INVESTIGATION UNDER SUBSECTION (A) OF
12 THIS SECTION, AT THE EXPENSE OF THE PERSON BEING EXAMINED OR
13 INVESTIGATED, THE COMMISSIONER MAY RETAIN AN ACCOUNTANT, EXAMINER, OR
14 OTHER EXPERT WHO IS NOT OTHERWISE A PART OF THE STAFF OF THE
15 COMMISSIONER, IF REASONABLY NECESSARY IN THE JUDGMENT OF THE
16 COMMISSIONER.

17 2-117.

18 (A) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE, THE FEES
19 COLLECTED UNDER THIS SECTION ARE NONREFUNDABLE.

20 (B) FEES FOR THE FOLLOWING CERTIFICATES, LICENSES, AND SERVICES
21 SHALL BE COLLECTED IN ADVANCE BY THE COMMISSIONER, AND SHALL BE PAID BY
22 THE APPROPRIATE PERSONS TO THE COMMISSIONER:

23 (1) EXAMINATION FEE FOR A NEW STATE BANK OR TRUST COMPANY
24 CHARTER UNDER § 3-203 OF THIS ARTICLE \$15,000

25 (2) EXAMINATION FEE FOR A CONVERSION OF A NATIONAL BANKING
26 ASSOCIATION, A FEDERAL STOCK SAVINGS AND LOAN ASSOCIATION, OR A FEDERAL
27 STOCK SAVINGS BANK INTO A COMMERCIAL BANK UNDER § 3-801 OF THIS
28 ARTICLE \$10,000

29 (3) FILING FEE FOR A CONVERSION OF A CAPITAL STOCK SAVINGS AND
30 LOAN ASSOCIATION TO A COMMERCIAL BANK UNDER § 9-632 OF THIS
31 ARTICLE \$10,000

32 (4) FILING FEE FOR AN AGREEMENT OF CONSOLIDATION, MERGER, OR
33 TRANSFER OF ASSETS OF A BANK UNDER § 3-703 OF THIS ARTICLE \$5,000

34 (5) APPLICATION FEE FOR AN ACQUISITION OF A MARYLAND BANK
35 HOLDING COMPANY OR A MARYLAND BANK BY A BANK HOLDING COMPANY UNDER
36 § 5-904 OF THIS ARTICLE \$5,000

37 (6) (I) BRANCH FEE FOR A NOTICE OF INTENTION OF A BANKING
38 INSTITUTION TO OPEN A BRANCH UNDER § 5-1005 OF THIS ARTICLE \$600

1 (II) THE BRANCH FEE SHALL NOT APPLY TO A BRANCH THAT IS
2 ACQUIRED BY A BANKING INSTITUTION THROUGH A MERGER OR CONSOLIDATION
3 WITH, OR TRANSFER TO THE BANKING INSTITUTION OF ALL OR SUBSTANTIALLY ALL
4 OF THE ASSETS OF, A BANK OR AN INSURED DEPOSITORY INSTITUTION.

5 (7) EXAMINATION FEE FOR AN AMENDMENT OF THE CHARTER OF A
6 COMMERCIAL BANK UNDER § 3-213 OF THIS ARTICLE \$75

7 (8) APPLICATION FEE FOR A FOREIGN BANKING PERMIT UNDER § 12-208
8 OF THIS ARTICLE \$600

9 (9) RENEWAL FEE FOR A FOREIGN BANKING PERMIT UNDER § 12-210 OF
10 THIS ARTICLE \$600

11 (10) APPLICATION FEE FOR A BANKING INSTITUTION TO HAVE AN
12 AFFILIATE UNDER § 5-403 OF THIS ARTICLE \$1,000

13 (11) FEE FOR THE COMMISSIONER TO PROVIDE A CERTIFICATE OF VALID
14 CHARTER \$25

15 (12) FEE FOR THE COMMISSIONER TO PROVIDE A CERTIFIED COPY OF A
16 DOCUMENT \$25

17 (13) FILING FEE FOR A PLAN OF REORGANIZATION UNDER § 5-612 OF
18 THIS ARTICLE \$3,000

19 (14) APPLICATION FEE FOR A STOCK ACQUISITION OF A COMMERCIAL
20 BANK OR BANK HOLDING COMPANY UNDER § 3-314 OF THIS ARTICLE \$3,000

21 (15) FILING FEE FOR A REDUCTION OF THE OUTSTANDING CAPITAL
22 STOCK OF A COMMERCIAL BANK UNDER § 3-305 OF THIS ARTICLE \$250

23 (16) FEES FOR AN APPLICATION FOR A CONSUMER LOAN LICENSE OR AN
24 INSTALLMENT LOAN LICENSE UNDER § 11-206 OF THIS ARTICLE:

25 (I) AN INVESTIGATION FEE OF \$200; AND

26 (II) A LICENSE FEE OF:

27 1. \$1,700 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
28 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
29 EVEN-NUMBERED YEAR; OR

30 2. \$850 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
31 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
32 ODD-NUMBERED YEAR.

33 (17) RENEWAL FEE FOR A CONSUMER LOAN LICENSE OR AN
34 INSTALLMENT LOAN LICENSE UNDER § 11-209 OF THIS ARTICLE..... \$1,700

1 (18) (I) FEES FOR AN APPLICATION FOR A SALES FINANCE LICENSE
2 UNDER § 11-404 OF THIS ARTICLE:

3 1. AN INVESTIGATION FEE OF \$200; AND

4 2. A LICENSE FEE OF \$500.

5 (II) IF AN APPLICANT APPLIES FOR THREE OR MORE LICENSES AT
6 THE SAME TIME, THE TOTAL INVESTIGATION FEE IS \$600.

7 (19) FEES FOR AN APPLICATION FOR A MORTGAGE LENDER LICENSE
8 UNDER § 11-507 OF THIS ARTICLE:

9 (I) AN INVESTIGATION FEE OF \$200; AND

10 (II) A LICENSE FEE OF:

11 1. \$1,000 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
12 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
13 EVEN-NUMBERED YEAR; OR

14 2. \$500 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
15 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
16 ODD-NUMBERED YEAR.

17 (20) RENEWAL FEE FOR A MORTGAGE LENDER LICENSE UNDER § 11-511
18 OF THIS ARTICLE \$1,000

19 (21) PER DIEM EXAMINATION FEE FOR EACH OF THE COMMISSIONER'S
20 EMPLOYEES EXAMINING A MORTGAGE LENDER LICENSEE UNDER § 11-515 OF THIS
21 ARTICLE \$250

22 (22) FEES FOR A CHECK-CASHING SERVICES LICENSE UNDER § 12-108 OF
23 THIS ARTICLE:

24 (I) AN INVESTIGATION FEE OF \$200; AND

25 (II) A LICENSE FEE OF:

26 1. \$1,000 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
27 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
28 EVEN-NUMBERED YEAR; OR

29 2. \$500 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
30 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
31 ODD-NUMBERED YEAR.

32 (23) RENEWAL FEE FOR A CHECK-CASHING SERVICES LICENSE UNDER
33 § 12-111 OF THIS ARTICLE \$1,000

1 (24) INVESTIGATION FEE FOR SUPERVISION AND EXAMINATION OF A TAX
2 EXEMPT FINANCIAL INSTITUTION UNDER § 12-703 OF THIS ARTICLE \$200

3 (25) APPLICATION FEE FOR A COLLECTION AGENCY LICENSE UNDER
4 § 7-302 OF THE BUSINESS REGULATION ARTICLE \$500

5 (26) RENEWAL FEE FOR A COLLECTION AGENCY LICENSE UNDER § 7-302
6 OF THE BUSINESS REGULATION ARTICLE \$500

7 (27) FEES FOR A MONEY TRANSMISSION LICENSE UNDER § 12-407 OF
8 THIS ARTICLE:

9 (I) AN INVESTIGATION FEE OF \$1,000; AND

10 (II) A LICENSE FEE OF:

11 1. \$4,000 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
12 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
13 EVEN-NUMBERED YEAR; OR

14 2. \$2,000 IF THE APPLICANT APPLIES FOR A LICENSE TO BE
15 ISSUED ON OR AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31 OF AN
16 ODD-NUMBERED YEAR.

17 (28) RENEWAL FEE FOR A MONEY TRANSMISSION LICENSE UNDER
18 § 12-411 OF THIS ARTICLE \$4,000

19 3-203.

20 (a) The incorporators shall:

21 (1) File with the Commissioner for examination the two copies of the
22 articles of incorporation; and

23 (2) Pay to the Commissioner an examination fee [of \$1,500].

24 3-213.

25 (a) Any commercial bank may amend its charter, in any manner not
26 inconsistent with law, as provided in this section.

27 (b) A proposed amendment shall be approved at a meeting called for that
28 purpose, by the affirmative vote of the holders of two thirds of the capital stock of the
29 commercial bank.

30 (c) If the proposed amendment is to authorize the issuance of preferred stock,
31 the proposed amendment shall be approved by the affirmative vote of the holders of a
32 majority of the capital stock of the commercial bank.

33 (d) After an amendment is approved by the stockholders:

1 (1) The president of the commercial bank and either its cashier or
2 treasurer shall certify the amendment; and

3 (2) The amendment shall be signed, filed with the Commissioner for
4 examination, and, if approved by the Commissioner, filed for record as required for
5 articles of incorporation.

6 (e) On filing the amendment for examination, the commercial bank shall pay
7 to the Commissioner an examination fee [of \$20].

8 5-203.

9 (a) The Commissioner shall impose annual assessments on each banking
10 institution as provided in this section, to cover the expense of regulating banking
11 institutions.

12 (b) (1) The Commissioner shall assess each banking institution the sum of:

13 (i) \$1,000; plus

14 (ii) 8 cents for each \$1,000 of the assets of the institution over
15 \$1,000,000.

16 (2) The assessments shall be based on assets stated in a banking
17 institution's most recent financial report.

18 (c) A banking institution shall pay the assessment imposed under this section
19 to the Commissioner on or before the February 1 after it is imposed.

20 5-904.

21 (a) A bank holding company that proposes to make an acquisition under this
22 subtitle shall:

23 (1) File with the Commissioner an application in the form that the
24 Commissioner requires;

25 (2) Pay to the Commissioner an application fee [of \$1,500]; and

26 (3) Submit proof that the applicant has complied with all public notice
27 and publication requirements applicable under the Bank Holding Company Act.

28 (b) To the extent consistent with the effective discharge of the Commissioner's
29 responsibilities, the forms established under this subtitle for application, notice, and
30 reporting shall conform to those established under the Bank Holding Company Act.

31 5-1005.

32 [(a)] A banking institution that proposes to establish a branch in this State or in
33 another state shall:

- 1 (1) File with the Commissioner, at least 30 days before the intended
2 opening date, a notice of intention to open a branch;
- 3 (2) Submit to the Commissioner any information the Commissioner
4 requires in order to evaluate the proposed branch; and
- 5 (3) Pay to the Commissioner a branch fee [of \$500].

6 [(b) The branch fee shall not apply to a branch that is acquired by a banking
7 institution through a merger or consolidation with, or transfer to the banking
8 institution of all or substantially all of the assets of, a bank or an insured depository
9 institution.]

10 9-632.

11 To convert to a commercial bank, a capital stock savings and loan shall deliver to
12 the Commissioner:

- 13 (1) A filing fee [of \$1,000];
- 14 (2) An application for conversion;
- 15 (3) A certified copy of the resolution of the board of directors that
16 authorizes the conversion;
- 17 (4) The proposed amended charter and bylaws amendments;
- 18 (5) The proposed notice of the meeting to consider conversion, and the
19 time and manner in which notice will be given to stockholders;
- 20 (6) The proposed proxy statement;
- 21 (7) The proposed plan of conversion; and
- 22 (8) Any additional documents required by the Commissioner.

23 [11-101.

- 24 (a) (1) In this section the following words have the meanings indicated.
- 25 (2) "Examination" means an examination or investigation performed by
26 the Commissioner, or the Commissioner's designee, which is required or authorized
27 under this article or Title 12 of the Commercial Law Article.
- 28 (3) "Licensee" means a person licensed by the Commissioner under this
29 title.
- 30 (4) "Person" includes an individual, corporation, business trust, estate,
31 partnership, association, two or more persons having a joint or common interest, or
32 any other legal or commercial entity.

1 (b) Travel and living expenses reasonably incurred by the Commissioner or
2 the Commissioner's designated examiners arising from the examination of a licensee
3 whose place of business being examined is located outside the geographical
4 boundaries of Maryland, shall be paid by the entity being examined.

5 (c) Subsection (b) of this section does not apply if the licensee provides all
6 documentation deemed by the Commissioner to be necessary or appropriate to the
7 examination, to be physically produced within Maryland at a location designated by
8 the Commissioner.

9 (d) (1) All funds collected under this section shall be held by the Comptroller
10 of the Treasury in a special revolving fund, and disbursed for the sole purpose of
11 defraying the cost of examinations required or authorized by the Commissioner.

12 (2) Moneys may be expended from the fund only if an appropriation is
13 included in the annual budget bill.]

14 11-206.

15 (b) With the application, the applicant shall pay to the Commissioner:

16 (1) An investigation fee [of \$100]; and

17 (2) A license fee [of:

18 (i) \$1,700 if the applicant applies for a license to be issued on or
19 after January 1 and on or before December 31 of an even-numbered year;

20 (ii) Effective January 1, 1999, \$850 if the applicant applies for a
21 license to be issued on or after January 1 and on or before December 31 of an
22 odd-numbered year; or

23 (iii) \$1,700 if the applicant applies for a license to be issued on or
24 after October 1, 1997 and on or before December 31, 1997].

25 11-209.

26 (a) [A license issued before September 30, 1997 expires on the June 30 after
27 its effective date, unless it is renewed on or before June 1 of the year of expiration for
28 an additional term as provided in this section.

29 (b)] A license [issued on or after October 1, 1997] expires on December 31 in
30 each odd-numbered year after December 31, 1997, unless it is renewed for a 2-year
31 term as provided in this section.

32 [(c)] (B) On or before December 1 of the year of expiration, a license may be
33 renewed for an additional 2-year term, if the licensee:

34 (1) Otherwise is entitled to be licensed;

35 (2) Pays to the Commissioner a renewal fee [of \$1,700]; and

1 (3) Submits to the Commissioner a renewal application on the form that
2 the Commissioner requires.

3 [(d)] (C) The Commissioner may waive the requirements of § 11-205(1) and
4 (2) of this subtitle for the renewal of a license.

5 [(e)] (D) The Secretary may determine that licenses issued under this subtitle
6 shall expire on a staggered basis.

7 11-404.

8 (a) (1) To apply for a license, an applicant shall sign and submit to the
9 Commissioner a verified application on the form that the Commissioner requires.

10 (2) The application shall include:

11 (i) The name of the applicant;

12 (ii) The address at which the business is to be conducted, including,
13 if applicable, the office building and room number;

14 (iii) The address of each branch, subsidiary, or affiliate that the
15 applicant operates in this State;

16 (iv) If the applicant is a corporation, the date of its incorporation;

17 (v) The name and residence address of each owner or partner in
18 the applicant or, if the applicant is a corporation or association, the name and
19 residence address of each of its directors or trustees, its principal officers, and each
20 person who owns an interest of 20 percent or more in the applicant; and

21 (vi) Any other pertinent information that the Commissioner
22 requires.

23 (b) With the application, the applicant shall pay to the Commissioner:

24 (1) An investigation fee [of \$100]; and

25 (2) A license fee [of \$250].

26 (c) [(1)] For each license for which an applicant applies, the applicant shall
27 submit:

28 [(i)] (1) A separate application; and

29 [(ii)] (2) Pay a separate investigation fee and license fee.

30 [(2)] If an applicant applies for three or more licenses at the same time,
31 the total investigation fee is \$300.]

1 11-406.

2 (a) In addition to the investigation fee required by § [11-404] 2-117 of this
3 [subtitle] ARTICLE, if an applicant applies for a license for a place of business that is
4 located outside of this State, the applicant shall pay to the Commissioner, on
5 presentation by the Commissioner of a detailed account, the reasonable travel and
6 living expenses incurred on account of the investigation.

7 (b) Except for the payments required by this section, the applicant may not
8 offer or pay and the examiner may not solicit or accept any payment with regard to
9 the investigation.

10 11-507.

11 (b) With each application, the applicant shall pay to the Commissioner:

12 (1) A nonrefundable investigation fee [of \$100]; and

13 (2) A license fee [of either:

14 (i) \$1,000 if the applicant applies for a license to be issued on or
15 after January 1 and on or before December 31 of an even-numbered year;

16 (ii) Effective January 1, 1999, \$500 if the applicant applies for a
17 license to be issued on or after January 1 and on or before December 31 of an
18 odd-numbered year; or

19 (iii) Notwithstanding subparagraph (i) or (ii) of this paragraph,
20 \$1,000 if the applicant applies for a license to be issued on or after October 1, 1997
21 and on or before December 31, 1997].

22 11-511.

23 (b) On or before December 1 of the year of expiration, a license may be
24 renewed for an additional 2-year term, if the licensee:

25 (1) Otherwise is entitled to be licensed;

26 (2) Pays to the Commissioner a renewal fee [of \$1,000];

27 (3) Files a bond or bond continuation certificate for the amount required
28 under § 11-508 of this subtitle; and

29 (4) Submits to the Commissioner:

30 (i) A renewal application on the form that the Commissioner
31 requires; and

32 (ii) Satisfactory evidence of compliance with any continuing
33 education requirements set by regulations adopted by the Commissioner.

1 11-515.

2 (c) A licensee shall pay to the Commissioner a PER DIEM fee [of not more than
3 \$250 per day] for each of the Commissioner's employees engaged in:

4 (1) An examination required under subsection (a)(1) of this section; and

5 (2) Any other examination or investigation conducted under this section
6 that results in the discovery of a violation of this subtitle by the licensee.

7 12-108.

8 (b) With the application, the applicant shall pay to the Commissioner:

9 (1) An investigation fee [of \$100]; and

10 (2) A license fee [of:

11 (i) \$1,000 if the applicant applies for a license to be issued on or
12 after January 1 and on or before December 31 of an even-numbered year; or

13 (ii) \$500 if the applicant applies for a license to be issued on or after
14 January 1 and on or before December 31 of an odd-numbered year].

15 12-111.

16 (a) A license expires on December 31 in each odd-numbered year unless it is
17 renewed for a 2-year term as provided in this section.

18 (b) On or before December 1 of the year of expiration, a license may be
19 renewed for an additional 2-year term, if the licensee:

20 (1) Otherwise is entitled to be licensed;

21 (2) Pays to the Commissioner a renewal fee [of \$1,000]; and

22 (3) Submits to the Commissioner a renewal application on the form that
23 the Commissioner requires.

24 (c) The Commissioner shall determine if the requirements of § 12-106 of this
25 subtitle to qualify for a license continue to apply.

26 (d) The Commissioner may determine that licenses issued under this subtitle
27 shall expire on a staggered basis.

28 12-208.

29 (a) To apply for a permit for an office, a foreign banking corporation shall:

30 (1) Submit to the Commissioner an application on the form that the
31 Commissioner requires; and

1 (2) Pay to the Commissioner [the] AN application fee [set by the
2 Commissioner].

3 12-210.

4 (a) A permit expires on the second anniversary of its effective date, unless the
5 permit is renewed for a 2-year term as provided in this section.

6 (b) Before its permit expires, the foreign banking corporation may renew the
7 permit for additional 2-year terms if the foreign banking corporation:

8 (1) At least 30 days before its permit expires:

9 (i) Submits to the Commissioner a renewal application on the form
10 that the Commissioner requires; and

11 (ii) Pays to the Commissioner [the renewal fee set by the
12 Commissioner] A RENEWAL FEE; and

13 (2) Meets the requirements for issuance of a permit under § 12-209 of
14 this subtitle.

15 (c) The Commissioner shall renew the permit of each foreign banking
16 corporation that meets the requirements of this section.

17 [12-404.

18 (a) In this section, "Fund" means the Money Transmission Fund established
19 under this section.

20 (b) There is a Money Transmission Fund that consists of:

21 (1) All revenue received for the licensing of persons who engage in the
22 business of money transmission under this subtitle;

23 (2) Income from the investments that the State Treasurer makes for the
24 Fund; and

25 (3) Any other fee, examination assessment, or revenue received by the
26 Commissioner under this subtitle.

27 (c) Notwithstanding subsection (b) of this section, the Commissioner shall pay
28 all fines and penalties collected by the Commissioner under this subtitle into the
29 General Fund of the State.

30 (d) The purpose of the Fund is to pay all the costs and expenses incurred by
31 the Commissioner that are related to the regulation of the business of money
32 transmission under this subtitle, including:

33 (1) Expenditures authorized under this subtitle; and

1 (2) Any other expense authorized in the State budget.

2 (e) (1) All the costs and expenses of the Commissioner relating to the
3 regulation of the business of money transmission under this subtitle shall be included
4 in the State budget.

5 (2) Any expenditures from the Fund to cover costs and expenses of the
6 Commissioner may be made only:

7 (i) With an appropriation from the Fund approved by the General
8 Assembly in the annual State budget; or

9 (ii) By the budget amendment procedure provided for in § 7-209 of
10 the State Finance and Procurement Article.

11 (3) If, in any given fiscal year, the amount of the revenue collected by the
12 Commissioner and deposited into the Fund exceeds the actual appropriation for the
13 Commissioner to regulate the business of money transmission under this subtitle, the
14 excess amount shall be carried forward within the Fund.

15 (f) (1) The State Treasurer is the custodian of the Fund.

16 (2) The State Treasurer shall deposit payments received from the
17 Commissioner into the Fund.

18 (g) (1) The Fund is a continuing, nonlapsing fund and is not subject to §
19 7-302 of the State Finance and Procurement Article, and may not be deemed a part of
20 the General Fund of the State.

21 (2) Unless otherwise provided by law, no part of the Fund may revert or
22 be credited to:

23 (i) The General Fund of the State; or

24 (ii) A special fund of the State.]

25 12-407.

26 (f) With the application, the applicant shall pay to the Commissioner:

27 (1) An investigation fee [of \$1,000]; and

28 (2) A license fee [of either:

29 (i) \$4,000 if the applicant applies for the license on or after
30 January 1 and on or before December 31 of an even-numbered year; or

31 (ii) \$2,000 if the applicant applies for the license on or after
32 January 1 and on or before December 31 of an odd-numbered year].

1 12-411.

2 (a) A license issued under this subtitle expires on December 31 of each odd-
3 numbered year unless it is renewed for a 2-year term as provided in subsection (b) of
4 this section.

5 (b) On or before December 1 of the year of expiration, a license may be
6 renewed for a 2-year term, if the licensee:

7 (1) Otherwise is entitled to be licensed;

8 (2) Files evidence of a surety device required under § 12-412 of this
9 subtitle;

10 (3) Pays to the Commissioner a renewal fee [of \$4,000]; and

11 (4) Submits to the Commissioner:

12 (i) A renewal application on the form that the Commissioner
13 requires; and

14 (ii) A financial statement that complies with the requirements of §
15 12-407(b)(4) of this subtitle.

16 12-703.

17 (a) (1) To apply for supervision and examination under this subtitle, an
18 applicant shall sign and submit to the Commissioner a verified application on the
19 form that the Commissioner requires.

20 (2) The applicant shall comply with all conditions and provisions within
21 the application.

22 (3) The applicant shall submit any other information that the
23 Commissioner may require.

24 (b) With the application, the applicant shall pay to the Commissioner an
25 investigation fee [of \$100.00].

26 12-708.

27 (a) The Commissioner, not more often than once per year, may impose annual
28 assessments on each financial institution supervised and examined by the
29 Commissioner under this subtitle, to cover the expense of supervising and examining
30 that financial institution.

31 (b) (1) The Commissioner may assess each financial institution the sum of:

32 (i) \$1,000; plus

1 (ii) 8 cents for each \$1,000 of the assets of the financial institution
2 over \$1,000,000.

3 (2) The assessments shall be based on assets stated in the financial
4 institution's most recent financial report.

5 (c) The financial institution shall pay any assessment imposed under this
6 section to the Commissioner on or before the February 1 after it is imposed.

7 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
8 General Assembly that any balance remaining in the Money Transmission Fund,
9 established under § 12-404 of the Financial Institutions Article, be transferred to the
10 State Financial Regulation Fund, established under § 2-109 of the Financial
11 Institutions Article, as enacted by this Act, as of the effective date of this Act.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take
13 effect June 1, 2003.